

A003 Contractor Registration

The Contractor Registration program works to protect homeowners (as well as companies supplying labor, materials, or equipment) from unreliable, fraudulent, financially irresponsible, or incompetent construction contractors. The registration of contractors provides consumer protection because it requires contractors to maintain a minimum level of bonding and insurance coverage. L&I construction compliance inspectors verify and promote registration by making random site visits and responding to complaints from homeowners, material suppliers, and other contractors. Promoting compliance also protects contractors from those who attempt to gain a competitive advantage through noncompliance. This fee-for-service program is self supporting.

	FY 2006	FY 2007	Biennial Total
FTE's	44.4	44.8	44.6
GFS	\$3,359,976	\$3,417,496	\$6,777,472
Other	\$645,122	\$674,575	\$1,319,697
Total	\$4,005,098	\$4,092,071	\$8,097,169

Statewide Result Area: Improve the economic vitality of businesses and individuals

Expected Results

Proving consumer protection in the form of approximately \$1.2 million in contractor bonds disbursed to harmed consumers each year. Registering more than 52,000 contractors with the program, and inspection staff checking 28,000 registrations annually, reviewing whether they are bonded and insured. 17,000 of these interactions are conducted on job sites across the state. Construction compliance inspectors also identify employers who owe the agency more than \$750,000 in workers' compensation premiums. Issuing penalties for non-compliance, and making referrals to local prosecutors to pursue criminal action against habitually fraudulent contractors. Answering 38,000 toll-free calls each year from consumers and contractors regarding registrations and/or inquiring about legal recourse against a fraudulent contractor. Providing a real-time, web-based application for consumers to check on the status of a contractor's registration. This application averages around 800 hits per day. Providing targeted outreach at home and trade shows to increase awareness about contractor obligations and consumer protections.

Contractor bond dollars awarded to consumers.				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	\$2,000,000	\$0	\$(2,000,000)
	4th Qtr	\$2,000,000	\$0	\$(2,000,000)
2003-05	8th Qtr	\$1,500,000	\$1,268,795	\$(231,205)
	7th Qtr	\$0	\$748,864	\$748,864
	6th Qtr	\$0	\$496,523	\$496,523
	5th Qtr	\$0	\$184,596	\$184,596

Appropriation Period: 2005-07 Activity Version: F2 - 2005-07 Activity Recast

Number of infractions issued to contractors operating illegally in the underground economy.				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	1,200	0	(1,200)
	4th Qtr	1,200	0	(1,200)
2003-05	8th Qtr	318	325	7
	7th Qtr	318	320	2
	6th Qtr	318	256	(62)
	5th Qtr	318	318	0

Turnaround time of contractor registration renewal.				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	5	0	(5)
	4th Qtr	5	0	(5)
2003-05	8th Qtr	5	2	(3)
	7th Qtr	5	2	(3)
	6th Qtr	5	1	(4)
	5th Qtr	5	1	(4)
<i>Target number of days to complete registration varies seasonally.</i>				